Irregularities by Credit Card Holders

†648. SHRIMATI MAYA SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that due to continuous increase in the number of credit cards in the country by banks and irregularities being committed by the credit card holders, the global banking system has to suffer a loss to the tune of billions of rupees;

(b) if so, whether global banking organizations have given information about such irregularities in their respective countries;

(c) if so, the details thereof; and

(d) Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Reserve Bank of India (RBI) have reported that they have no data/information about the amount of loss suffered by the Global Banking System due to irregularities in credit card operations.

(d) As a fraud control measure, banks have been advised by RBI to set up fraud control systems to combat credit card frauds. Banks are also required to actively participate in fraud prevention committee/task force meetings which formulate laws to prevent frauds and take proactive fraud control and enforcement measures.

Scheme for VRS employees

649. SHRI NANDI YELLAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether there is any scheme to enable all the employees to deposit their entire statutory benefits and special amounts which they receive under Voluntary Retirement Scheme, several years before their superannuation stage, to get higher rate of Interest, to enable them to lead a secured life financially, with great security for their deposits;

(b) if so, the details thereof and whether Government propose some measures in this direction for all the VRS employees in our country; and

†Original notice of the question was received in Hindi.

(c) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) An individual who has retired on superannuation or otherwise and has attained the age of 55 years can invest his/her retirement benefits upto Rs. 15 lakh, under the Senior Citizens Savings (SCS) Scheme, 2004. Such deposits carry interest at the rate of 9% per annum payable quarterly which is higher than the prevailing market rate of interest on comparable savings instruments. The SCS Scheme, 2004 is intended to provide a regular income to senior citizens including old-age pensioners/retirees. There is no proposal to extend the scheme to cover all VRS retirees below 55 years of age. However, the 6-year Government of India 8% Savings Bonds which also offer a higher than market return on comparable savings instruments, are open for subscription to all individuals irrespective of age.

Outstanding Taxes against Corporate House

650. SHRI N.R. GOVINDARAJAR: Will the Minister of FINANCE be pleased to state:

(a) the details of the outstanding amount of taxes including income-tax, central excise, corporate tax etc. against corporate houses and industrialists alongwith the time since when outstanding, during the last three years, company-wise and sector-wise;

(b) the reason for not realizing the outstanding amount

(c) whether Government have announced any rebate and incentives to encourage timely deposit of income-tax;

(d) if so, the details thereof; and

(e) the steps taken by Government to simplify the tax system and realisation of outstanding amount?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) So far as Income Tax is concerned, there are a large number of cases of Companies in which demands are outstanding. It is therefore, not feasible to give company-wise details of outstanding amounts. Demand of Rs. 50609 Crore is outstanding against corporate assessees as on 1.9.2005. Corporate assessees include